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Federal

The 114th Congress Convenes

On January 6, the U.S. House and Senate officially kicked-off the new, two-year, Congressional session. Among the highlights were the House votes to approve John Boehner (R-OH) as the House Speaker and Nancy Pelosi (D-CA) as Minority Leader. In the Senate, Mitch McConnell (R-KY) officially took over as Majority Leader. Although each committee chair and ranking member has been announced, a number of individual assignments are outstanding.

Parties Unveil Agendas

During the opening day of Congress, House Speaker John Boehner and House Minority Leader Nancy Pelosi announced their party's respective agendas. The Republican agenda includes a vote on the Keystone XL pipeline and changes to parts of Obamacare. The Democratic plan focuses on curbing tax benefits for corporations and diverting the revenue to infrastructure.

You can read more about the Republican agenda [here](#) and Democrats [here](#).

TRIA Passes Congress, Includes a Dodd-Frank Fix

After failing to extend the Terrorism Risk Insurance Act (TRIA) prior to its December 31 expiration, the House quickly moved this week to extend the program for six years. H.R. 26 would gradually increase the loss threshold that triggers federal assistance under the terrorism risk program to \$200 million, from \$100 million. The bill also includes a provision modifying the financial regulations known as Dodd-Frank. The provision exempts from requirements some companies that use derivatives to hedge against business risk. H.R. 26 is identical to the House-passed bill from December.

On January 8, the Senate fast-tracked the bill, and passed it on a 93 to 4 vote. H.R. 26 is now awaiting the President's signature.

Pipeline Bills Proceed

In the face of a veto-threat from the President, the House has planned a Friday vote on a bill that would approve the Keystone XL Pipeline. The bill is all but guaranteed to pass.

House leadership also announced plans to take up a bill which would expedite permitting for new natural gas pipelines. The bill is sponsored by Congressman Mike Pompeo (R-KS) and would establish statutory deadlines for the Federal Energy Regulatory Commission (FERC) and federal resource agencies to approve permits for constructing interstate natural gas pipelines.

The Senate has indicated it, too, will take up a bill to approve the Keystone pipeline. The timing of full Senate approval is less certain given objections from Senate Democrats. On January 8, the Senate Energy and Natural Resources Committee, now chaired by Senator Lisa Murkowski (R-AK), held a hearing on its measure.

State

State of the State Postponed

Governor Cuomo's annual State of the State address has been postponed due to the death of his father, former Governor Mario Cuomo. Originally scheduled for January 7th, the speech will now take place on January 21st. The Executive Budget will then be released the following week on January 27th.

While the State of the State typically kick starts the beginning of the Legislative Session, the Legislature convened on January 7th pursuant to the New York State Constitution.

Governor Cuomo Vetoes Municipal Aggregation Legislation

Governor Cuomo vetoed legislation which would have established a municipal aggregation program in Westchester County. Pursuant to this program, ESCOs would have competitively bid to provide electric and/or gas supply to the residents of a participating Westchester municipality. Con Edison would have been required to provide certain customer data to the program administrator (designated by the municipality) and the ESCO.

The bill was vetoed on the grounds that it did not provide enough flexibility to the Public Service Commission (PSC) and that it would have undermined a related PSC proceeding establishing a similar program. The Governor also expressed concerns with the lack of restrictions placed on usage of the customer data.

A group known as Sustainable Westchester strongly advocated for passage of this legislation. Subsequent to the bill's veto, the group filed a petition requesting that the PSC fast track approval of a community choice aggregation program and require Con Edison to provide certain customer data. No further action has been taken by the PSC as of this writing.

Governor Vetoes ESCO Marketing Legislation

Governor Cuomo vetoed legislation that would have imposed several requirements on ESCO marketing practices. Among the bill's provisions was a requirement that gas and electric utilities establish do not call registries for customers who do not want to receive telemarketing solicitations from ESCOs. This provision was premised on the false assumption that ESCO telemarketers are not currently subject to federal and state do not call registry laws.

The Governor vetoed the bill on the grounds that it was duplicative of state and federal laws. Cuomo directed the Department of State (the entity responsible for enforcing the do not call laws) to inform the Department of Public Service (DPS) whenever an enforcement action is taken against an ESCO so that DPS can also take appropriate action. In addition, DPS is directed to review current practices and identify any necessary changes to ensure adequate consumer protection.

Con Edison opposed the do not call registry provision and worked closely with the Governor's office on the veto.

City

City Council Modifies Budget

The City Council has voted to approve \$179 million in new spending for the city's 2015 budget. The City plans to spend \$24 million to reduce greenhouse gas emissions from city buildings. Additional spending includes \$29 million to re-train New York Police Department officers and \$13.7 million for an "all out" effort to combat a spike in shootings.

The Council approved the City's budget, which increased to \$76.9 billion from the original \$75 billion that was first voted on last summer. With a major infusion of cash from new Federal funding for Hurricane Sandy recovery and higher than expected revenues and savings, modifications to the budget that were proposed by Mayor de Blasio in November, were also approved by the Council.

The updated budget passed by a 47-1 margin with Councilwoman Helen Rosenthal of Manhattan, being the only no vote. Councilwoman Rosenthal stated her opposition was based on her feeling that the Council was not given enough detail on how the money would be spent.